

JUN 1955

Chief, Finance Division

Deputy Comptroller

Proceeds from Sales of Personal Property During Fiscal Year 1954

1. In my memorandum, dated 9 July 1954, which was in reply to your memorandum, dated 2 July 1954, you were advised that procedures were being developed covering the application of proceeds of sales of personal property for use toward the cost of replacements, and pending the issuance of the procedural media the amounts representing proceeds of sales received in Fiscal Year 1954, as well as amounts currently collected in Fiscal Year 1955 should be recorded in a deferred credit account.
2. Comptroller Notice No. 4-55 was issued on 2 March 1955, and prescribed two new deferred credits general ledger accounts to be used to record the proceeds of sales of items of personal property pending determination as to appropriate disposition.
3. It was contemplated that Agency procedural media covering this activity would have been issued and effective prior to this time, however, the proposed Regulation No. [ ] entitled, "Application of the Proceeds of Sales of Personal Property Toward the Purchase of Replacements," has not been fully coordinated by Regulation Control Staff, and it is expected that it will be a few weeks before it is issued. Internal procedures in the form of a Comptroller Instruction have been prepared for release after the Agency regulation is published.
4. As the proceeds of sales of personal property collected during the Fiscal Year 1954 are only available for use toward replacement through 30 June 1955, it is considered desirable to make the best determination possible at this time as to the disposition of these funds, rather than to defer action and process the transactions in accordance with the procedure provided by proposed Regulation No. [ ]  
[ ] A review shall be made of the documentation resulting in the recording of collections made during the 1954 Fiscal Year and a schedule prepared setting forth the following information:
  - a. The proceeds amounts that are identified to be part of a replacement transaction with a brief description of the type of personal property involved, and

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b. The remaining total amount that is not identified with replacement transactions.

5. These funds shall then be transferred to the Fiscal Division by two checks, one in the amount of the total proceeds identified to replacements and the other for the remaining amount, accompanied by a copy of the foregoing schedule. According to this information, the Fiscal Division will make the appropriate disposition of the funds. This should be accomplished as soon as possible after the close of the current fiscal year.



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*CGJ*  
TAS/CGJ/ak (24 June 55)

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